

Arafat on surprise visit to Syria

DAMASCUS (R) — Palestinian leader Yasser Arafat arrived unexpectedly in Syria Friday from North Yemen, where he held talks with Palestine Liberation Organisation (PLO) military leaders. Correspondents saw Mr. Arafat make a surprise appearance at a PLO rally in Damascus. There have been reports of strains in Mr. Arafat's relations with the Syrian government and his last visit to Damascus was delayed for several days while Palestinian sources said PLO officials tried to mediate. It was not immediately clear whether Friday's visit signalled any easing of tension between the PLO chief and Syrian President Hafez Al Assad.

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Abu Iyad attacks Syria's stand

ALGIERS (Petra) — Member of the Central Committee of the Palestine National Liberation Movement, Fateh, Salah Khalaf, alias Abu Iyad, has attacked Syria's stand towards the Israeli invasion of Lebanon, particularly during the siege of Beirut. Addressing Palestinian fighters in Algiers on Wednesday, Mr. Khalaf denounced all attempts by any side to interfere in Palestinian affairs and the national interests of the Palestinian people. Observers believe that Mr. Khalaf's statements, who has so far refrained from attacking Syria, comes as a result of the continuous harassment by the Syrian forces to Fateh members stationed in the Bekaa Valley in central Lebanon.

2 Arabs sentenced to prison in West Bank

AMMAN (Petra) — The Israeli occupation authorities sentenced to prison terms on Thursday two Arab residents from the town of Dura in Hebron district in the occupied West Bank. One of them for 20 years and the other for two and a half years on charges of resisting the occupation.

Israel may remain in Lebanon most of 1983

TEL AVIV (R) — A senior Israeli staff officer said Friday there was a possibility the Israeli army would remain in Lebanon for most of next year. The head of the planning division at general headquarters, Maj.-Gen. Ehud Barak, said in a lecture at the Haifa Maritime Club that the army was now working on two plans, one envisaging an Israeli pullout from Lebanon within the next six months, the other based on the possibility that the Israeli troops would remain there for most of next year. Gen. Barak said Syria was apparently being very careful not to become involved in an all-out war with Israel in Lebanon in the winter. The general also said there now appeared to be a move in Lebanon towards negotiations with Israel, and added that the presence of Israeli forces in the Shouf mountain area and along the Beirut-Damascus highway was essential for Israel to be able to negotiate from a position of strength.

Iran votes to elect Khomeini's successor

LONDON (R) — Ayatollah Ruhollah Khomeini was one of the first to vote Friday in national elections that will pave the way for choosing his successor as leader of Iran. The 52-year-old Ayatollah emerged from his home in a village north of Tehran to cast his ballot at a mobile polling station. Tehran Radio said, Iranians have been urged for weeks to turn out in force to elect 83 theologians to sit in an assembly of experts that would have the task of choosing either a new leader or a leadership council should Ayatollah Khomeini die. The succession question has exacerbated existing factional tensions between radicals and conservatives in Iran's clerical leadership, according to Iranian sources in Tehran. The radicals, headed by Ayatollah Khomeini himself, have been pressing for Ayatollah Hossein Ali Montazeri to be proclaimed successor.

News analysis page 8

Soviet cosmonauts return to earth

MOSCOW (R) — Soviet cosmonauts Anatoly Berezovoy and Valentin Lebedev returned to earth Friday after setting a space endurance record of 211 days. The official TASS news agency said that the two men's marathon mission on board the Salyut-7 orbiting station had ended safely. Col. Berezovoy and engineer Lebedev, both 40, blasted off from earth on May 13 to become the first occupants of Salyut-7, launched just three weeks earlier. The previous space endurance record of 185 days was established by Soviet cosmonauts Leonid Popov and Valery Ryumin in October 1980.

King, Nakasone discuss Mideast

TOKYO (Petra) — Official talks between the Jordanian delegation headed by His Majesty King Hussein and the Japanese Prime Minister Yasuhiro Nakasone and senior aides began Friday in Tokyo.

The two sides made a comprehensive analysis of the Middle East situation in light of the recent events and the efforts being made to find a just and durable solution of the Middle East conflict.

King Hussein affirmed the significance of the unified Arab stand stemming from the Fez summit resolutions, which constitute the basis for a comprehensive settlement of the Middle East conflict. The two sides also discussed relations between Jordan and Japan and ways to develop them. The members of the delegation accompanying the King attended the talks.

In a dinner banquet given by the Japanese prime minister in honour of King Hussein, Mr. Nakasone praised "the wise and courageous leadership followed by Jordan under the leadership of the King." He also asserted the significance of restoring peace to the Middle East and said Japan will spare no effort in contributing towards the achievement of this goal.

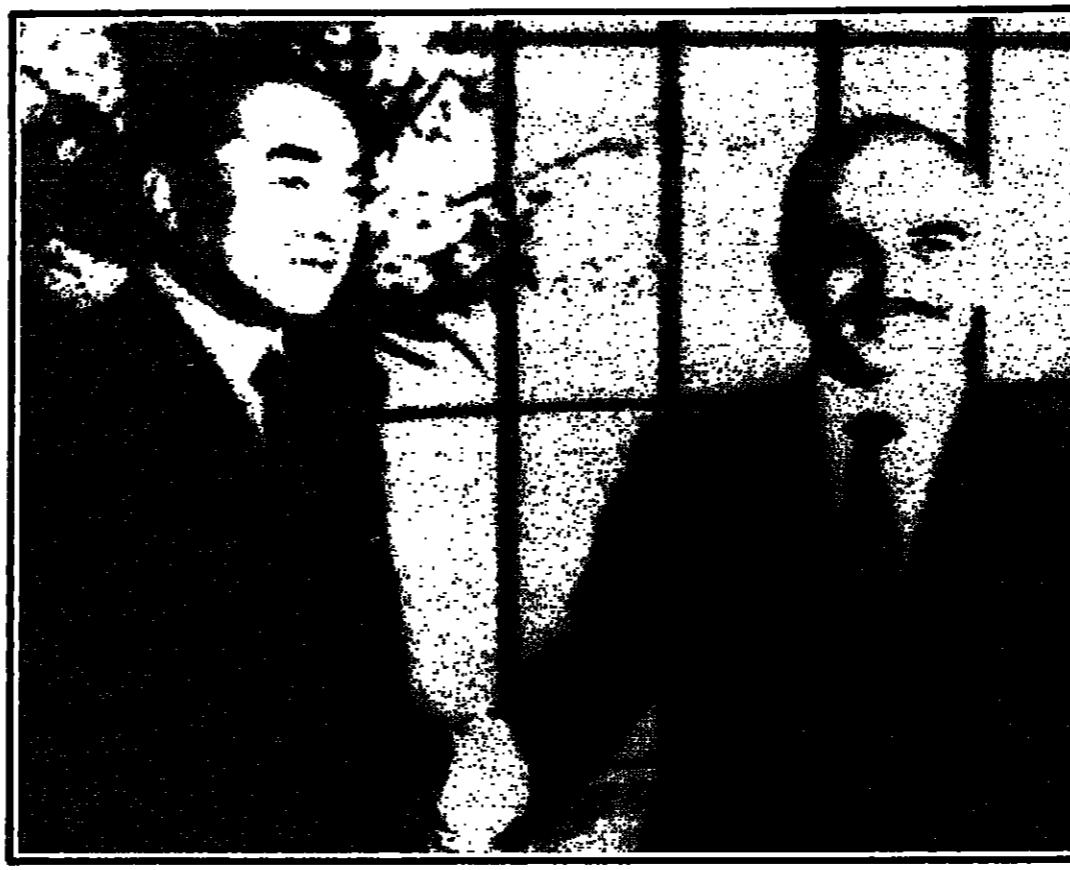
King Hussein said in reply to the Japanese prime minister's speech that the Fez summit resolutions "truly reflect the aspirations of the Arabs towards establishing just and durable peace in the Middle East," and that these resolutions are based on United Nations Security Council and General Assembly resolutions.

The King emphasised the important role Japan could play in the efforts made to reach a just Middle East solution in view of Japan's links with the region. He also praised the strong relations between Jordan and Japan in various fields.

Earlier Friday King Hussein met with the heads of the Arab

diplomatic missions in Tokyo.

In an interview with the Japanese Television broadcast Friday morning, King Hussein asserted



His Majesty King Hussein and Japanese Prime Minister Yasuhiro Nakasone shake hands prior to talks held Friday on the Middle East situation (A.P. wirephoto).

the significance of immediate action to regain the Israeli-occupied Arab territories through finding a just, durable and comprehensive

settlements of the conflict, giving the Palestinian people the right of self-determination on their national soil.

Refugees in Lebanon are without permanent shelter

VIENNA (R) — Tens of thousands of Palestinian refugees in Lebanon face the possibility of a future with no permanent shelter, a senior United Nations official said Friday.

Speaking to reporters here, Olof Rydbeck, head of the U.N. Relief and Works Agency for Palestine Refugees (UNRWA), said the situation was most serious in the Ein Hilweh refugee camp near Sidon which had been shelled and bulldozed during the Israeli invasion of southern Lebanon six months ago.

Describing the housing problem in the Ein Hilweh camp the UNRWA chief said: "Practically all has gone, except a house here and a house there," engineers had cleared the site, built concrete bases for camps and were about to lay water pipes.

The Lebanese government has allowed the Vienna-based agency to repair existing shelters but has so far refused permission for new buildings, Mr. Rydbeck said. "They don't want to encourage

measures that will create a de facto situation," he added. The future status for Palestinian refugees in Lebanon would be an important decision for the Beirut government, he said.

Mr. Rydbeck, who returned on Wednesday from the Middle East after talks with Lebanese and Israeli ministers, said the U.N. plans to spend up to \$19 million on emergency rehousing for about 19,000 Palestinian refugee families in Lebanon.

He said a family of six would be eligible to receive a package of about \$450 in cash, a tent and enough concrete to lay a base for the shelter.

Some refugees have burned the tents in protest. "Back to tents is back to square one for the refugees," Mr. Rydbeck said. Their refusal was understandable, he added.

"For the winter everyone will have some sort of roof but many will live in crowded, uncomfortable circumstances -- schools, cinemas..."

China approves plan to boost economic output

PEKING (R) — China's parliament, the National People's Congress, ended this year's session Friday by approving a five-year state plan for 1981-85 designed to lay the basis for quadrupling economic output by the end of the century.

The session closed without the retirement of the de facto head of state, Marshal Ye Jianying, whom some political analysts had once thought likely to step down.

Marshal Ye, 85 and clearly very frail, is now not expected to retire until the next congress, due in May or June, when a Chinese president will be appointed for the first time in 15 years.

Marshal Ye will continue to perform many of the functions of head of state in his role as chairman of the congress.

The restoration of the pre-

sidency, effectively abolished by Mao Tse-tung in 1968 as he fought to eliminate his rivals, was one of the major changes in a new constitution approved by the congress last Saturday.

Premier Zhao Ziyang's long-overdue five-year plan, which provides for slow but steady growth up to 1985 to lay the foundations for faster growth later, was the other main development at the 15-day session.

Marshal Ye's frailty was demonstrated by his absence from all of the congress meetings except the opening and closing sessions, which he attended only with difficulty.

He was able to read out only the first half sentence of his speech Friday before an official announcement took over.

NATO command HQ to be moved only during hostilities

STUTTGART, West Germany (R) — The United States would move its command headquarters in Europe (EUCOM) from Stuttgart, West Germany, to an alternative location in the event of hostilities, a U.S. Armed Forces spokesman said Friday.

The spokesman was reading a statement following a British newspaper report that U.S. Defence Secretary Caspar Weinberger had ordered the headquarters to be moved to Britain. The report was denied by U.S. Secretary of State George Shultz.

The statement read by the U.S. spokesman said: "In the event of hostilities, this headquarters

(EUCOM) as well as other military headquarters, would move to an alternate location. Planning to identify an alternate location has been underway for some time."

"It is not our practice to comment on contingency planning considerations to include the war-time location of this headquarters for security reasons," the statement said.

The Guardian newspaper said in a report from Washington Friday that Mr. Weinberger had issued the order to move EUCOM in a classified guidance document setting out America's strategic plan for the next five years.

Earlier story on page 8

U.N. calls for independent Palestinian state

UNITED NATIONS (R) — The United Nations General Assembly called Friday for the creation of an independent Palestinian state and for Israel's unconditional withdrawal from territories it occupied.

Under its terms, the Council would take steps to bring about the creation of such a state.

U.S. delegate William Sherman, speaking after the vote, criticised the draft for seeking to pre-judge the nature of a peace settlement in the Middle East.

But he noted that it did not condemn past U.S. initiatives such as the 1978 Camp David accords between Israel, Egypt and the United States, and the Reagan Middle East plan announced on Sept. 1.

"We appreciate these changes and are hopeful that they represent the beginning of a more generalised effort at accommodation," he said.

The resolution, which is not binding, made no reference to Israel's right to exist.

It asked the U.N. Security Council to "recognise the inalienable rights of the Palestinian Arab people, including the right to self-determination and the right to establish its independent Arab state in Palestine."

Under its terms, the Council would take steps to bring about the creation of such a state.

The PLO has observer status at the United Nations.

A call for all U.N. member states to support preparations for an international conference on Palestine to be held next August was passed by 123 votes to two, with 17 abstentions. Israel and the United States cast the negative votes.

The conference, which is due to be held in Paris at the headquarters of the United Nations Educational, Scientific and Cultural Organisation (UNESCO), was denounced by Israeli delegate Yehuda Blum as "another act of narcissistic excess" by the General Assembly.

He said both resolutions "deliberately ignore the inalienable rights of Israel and the Jewish community."

Sharon said to have ordered soldiers to beat West Bank Arab students

TEL AVIV (R) — An Israeli military court has heard evidence that Defence Minister Ariel Sharon allegedly urged Israeli soldiers to beat Arab schoolchildren in the occupied West Bank.

The trial of seven soldiers accused of brutally mistreating Arab youths in Hebron last March was adjourned this week until the end of the month. It has attracted almost no publicity in Israel.

On Tuesday, a reserve major told the court the Israeli military governor on the West Bank told him and other officers that Mr. Sharon wanted the army to burst into an Arab high school and "hit the pupils hard."

He told the court the military

governor, Col. Shalom Lugassi, quoted Mr. Sharon as saying: "We must go into the school and hit them hard. Otherwise, there will be no order."

The Yediot Ahronot newspaper said Defence Attorney Yehuda Resler intended to call Mr. Sharon to testify, but Mr. Resler declined to comment.

The seven soldiers, a major, four sergeants-majors, a corporal and a private, are accused of detaining pupils from the Hebron Islamic High School at the military governor's headquarters and brutally mistreating them.

An army driver told the court on Tuesday: "We punched them,

slapped them and kicked them. The major stood by and watched. Everyone hit them according to his strength."

"Afterwards, I left the shed where this was happening because I couldn't stand hearing up people who couldn't fight back."

The witness is already serving a six-month prison sentence for his part in the incident.

Another prosecution witness alleged the soldiers tied the youths by their wrists to the crossbar of a soccer goal and then kicked them.

Israeli military authorities have forbidden publication of the names of the accused until the end of the court's martial.

The foreign ministers told Poland and they were watching for developments including, as is widely expected, a possible lifting of martial law by the Warsaw Communist regime next week.

They withheld judgment on what such a move might mean and said "actions of the Polish authorities will be judged by their practical effects". Better relations with Poland depended on Warsaw's readiness to establish civil rights and to carry out reforms.

The foreign ministers said Poland and they were watching for developments including, as is widely expected, a possible lifting of martial law by the Warsaw Communist regime next week.

The alliance strongly endorsed U.S. proposals in arms talks with the Soviet Union in Geneva, and pressed

"a constructive and

serious approach" from Moscow in the deadlocked negotiations, which started last year.

British Foreign Secretary Francis Pym reported good progress in tightening trade restrictions against the Soviet Union and said the West had launched a series of studies on what could be done.

"We expect to see some push in getting these studies completed,"

Mr. Shultz told reporters. He said the foreign ministers expected a progress report at their next twice-yearly meeting in Paris in June.

The opening to Moscow offered by NATO was seen as the most clear-cut gesture made by the West since Yuri Andropov replaced the late President Leonid Brezhnev as Soviet Communist Party leader four weeks ago.

Mr. Pym said NATO was "ready to respond to any moves

"on the basis of Soviet actions; not words."

The six-page NATO com-

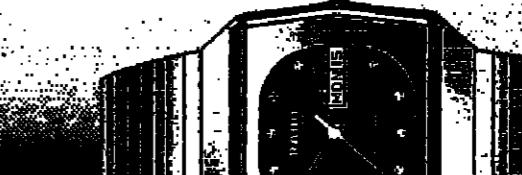
munique called on the Soviet Union to withdraw its 100,000 troops from Afghanistan and to accept a political solution there after three years of Soviet military involvement.

NATO said it was "gravely concerned about strong evidence of continued use of chemical weapons in Southeast Asia and Afghanistan in violation of international law, including Soviet involvement in the use of such weapons."

Both in private sessions and in their communiques, the foreign ministers reiterated that NATO plans for the basing of 572 U.S. cruise and Pershing-2 medium-range missiles will start on schedule at the end of 1983 unless there are concrete results in the Geneva arms talks.

The U.S. and the Soviet Union are seeking an agreement that would limit or bar all medium-range missiles from Europe.

RADIO 95.5



Turkish minister aims to keep up 'happy relation'

By Samira Kawar
Special to the Jordan Times

AMMAN — Turkish Defence Minister Haluk Bayulkun, who began a four-day visit to Jordan Wednesday, said that the purpose of his visit was "to keep up the momentum in our happy relationship", particularly following the visit paid by His Majesty King Hussein to Turkey last month, when the two heads of state exchanged views on peace and bilateral relations.

Mr. Bayulkun said that Turkey's present policy is based on Ataturk's legacy of "Peace at home and peace in the world", and that Turkey reciprocates like-minded policies based on this maxim with other countries and tries to build understanding and cooperation with them. He added that Jordan is one such country, and that economic relations between the two countries are progressing.

Mr. Bayulkun, who is here to

discuss Turkish-Jordanian military cooperation, said such cooperation comes within the larger context of overall economic cooperation. He stressed that military cooperation between the two countries is still at an exploratory stage, and that it is limited to "some defence industrial capabilities" which Turkey already shares with other friendly countries. He said that the avenues of such military cooperation would be opened "when Turkey has been cleaned of terrorism", it was still "not entirely cleaned."

He said that the present Turkish government sees that its duty lies in "defending the country against internal aggression" as well as external aggression.

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HOME NEWS

Arab social affairs ministers discuss Lebanon, approve aid

TUNIS (Petra) — The council of Arab ministers of social affairs, which concluded its three-day meetings in Tunis Friday, discussed the situation in Lebanon in the aftermath of the Israeli invasion in June, the conditions of Palestinians in that country and the negative impact the invasion had on the economic, political and social affairs there.

Mrs. In'am Al Mufti, Jordan's minister of social development and leader of the Jordanian delegation to the meetings, said that the council also approved 1983 budget of the Arab Fund for Social Development (AFSD).

The council also discussed matters related to the management of the AFSD and pan-Arab social projects which the fund will finance in a number of Arab countries, particularly projects which

would develop cadres needed for developing Arab social work.

The council also decided to aid Palestinian children organisations in Lebanon and to support social projects in three Arab countries with an amount of \$170,000.

A programme in Jordan for training manpower in social work through specialised courses at a cost of \$180,000, was also approved.

Mrs. Mufti said the council allocated \$100,000 to help Pal-

estinian children organisations in Lebanon, damaged by the Israeli invasion, and \$50,000 for Tunisia to help deal with the effects of recent floods there.

Mrs. Mufti said that the council also approved a charter on Arab children's rights' which contains the principles, goals and methods which Arab countries should adhere to in developing the personality of Arab children.

The council also decided to observe Nov. 1 every year as the Arab Child Day and to set up an annual exhibition of Arab handicrafts, the first to be held at the United Arab Emirates at a date to be announced later.

The Jordanian delegation included Ministry of Social Development Financial and Administrative Director Abdul Rahim Salami and Mrs. Mufti's Office Director Laila Burqan.

SSC officials begin meetings with counterparts in Tunisia

TUNIS (Petra) — A delegation of the Jordanian Social Security Corporation (SSC), currently visiting Tunisia, Thursday began a series of meetings with officials from the Tunisian Social Security organisation with the aim of getting acquainted with the Tunisian experience in social security.

The talks are also aimed at getting acquainted with the methods of work used in Tunisia and systems applied in social security and the administrative, financial and technical organisations supervising the system.

Civil Status Department plans computer training course for staff

AMMAN (Petra) — A week-long course on computer and its various uses is scheduled to begin at the Civil Status Department soon. Department Director Rifa'i Al Hazaymeh said Friday.

Employees from offices of the department in various governorates and districts will participate in the course. Mr. Hazaymeh said.

They will be taught how to use the computer in filling forms, how to feed information, check and correct mistakes, and how the coding and transfer of information is made, he said.

They will also be trained to use the computer for their own specific purposes, namely population distribution, deaths, marriages, divorces, births, and the work of the statistical departments.

Alia honoured

PARIS (Petra) — The Public Relations Department of Alia, the Royal Jordanian Airline, in Paris has been awarded the highest international award given annually by the French international civil aviation organisation for the best air services office as an appreciation of the services and information activities carried out by Alia in international tourism.

University team visits army division

AMMAN (Petra) — A delegation of professors and students of Yarmouk University Thursday visited the Fifth Royal Armoured Division and heard a briefing by the division commander on the duties and responsibilities of the division and saw some advanced weapons and equipment used by the division.

They also saw a military exercise in which live ammunition and light weapons were used.

His Highness Prince Mohammad Thursday inspects a guard of honour during a visit he made to the King

Hussein Ibn Ali Brigade (Petra photo)

Prince Mohammad visits army brigade

AMMAN (Petra) — His Highness Prince Mohammad Thursday visited the headquarters of the King Hussein Ibn Ali Brigade where he was briefed

by the brigade commander on the tasks and duties of the various formations of the brigade. The briefing was attended by several officers.

Mothers remind world of Palestinian suffering

AMMAN (J.T.) — On the occasion of the 34th anniversary of the Human Rights Day, observed by world nations Friday, a group of concerned mothers has sent an appeal to the "international conscience" reminding it of the plight of the Palestinians.

The group, the Mothers in Solidarity with the Victims of War in Lebanon, aims at initiating activities to aid displaced refugees in Lebanon.

The activities of the committee include sending appeals to different world organisations in an attempt to draw the attention of the world to the conditions of the victims of the Israeli invasion.

The group also selling greeting cards designed by the well-known Jordanian artist and National Consultative Council member (NCC) Mrs. Samia Al Zar. The proceeds from the sale of cards will be used to help the surviving children of the Sabra and Shatila refugee camps where a massacre took place last Sep-

tember. They are also planning to raise funds to help the families of Palestinians and Lebanese in the Israeli prison camp at Ansar in South Lebanon.

The appeal sent Friday by the committee to various international organisations including the Vatican, said:

"While many countries are observing Human Rights Day, and while many other countries have signed the International Human Rights Declaration, the Palestinians are still suffering from the denial of all their basic human rights as individuals and as a people."

"We are trying to find some hope in this difficult situation by appealing to the international conscience to see that these rights are honoured."

"The well-being of the Palestinians and the recognition of their national and human rights is a key to peace in the Middle East. It is also a matter of simple human justice."

An appeal to humanity by mothers...

Lest we forget what happened in Lebanon...

Tens of thousands of Palestinians and Lebanese are suffering as a result of the devastating destruction caused by the war...

Tens of thousands are homeless....

Thousands remain prisoners....

Others are still missing....

Many children have become fatherless....

Motherless.... and even homeless....

Still more.... slaughtered....

When will the homeless have homes?

When will the prisoners be released?

When will the missing be found?

When will the Palestinians return?

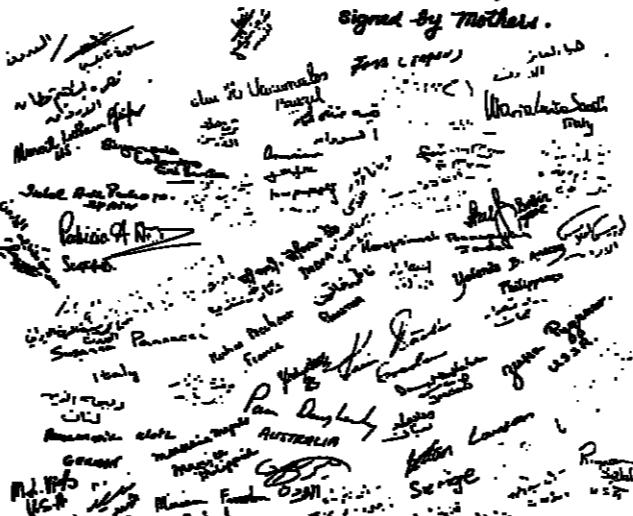
How much longer is the international

conscience going to accept this

human tragedy?

What if it happens to you?

signed by mothers.



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Energy consumers urged to check wasteful use

AMMAN (Petra) — About 40 per cent of energy consumed in Jordan is wasted either because of defects in homes and equipment or because of ignorance of proper ways of using energy for daily purposes, and the same applies to commercial enterprises such as hotels and offices and others, a study by the Ministry of Industry and Trade Energy Directorate said Friday.

Energy Director Ibrahim Badran said that "if efforts are guided to stop this waste through appropriate, practical and cheap methods, Jordan could save 40 per cent of the energy used for household purposes, estimated at 21 per cent of the total energy consumption at a cost of JD 180 million in 1981."

"This means that the annual saving in household consumption could become well over JD 10 million with the bigger part saved for the consumer and the other part for the state treasury," he said.

Mr. Badran said that in order to tackle this problem, a bulletin was issued recently containing instructions for the conservation of energy. The bulletin was prepared by the Energy Directorate in cooperation with the Royal Scientific Society (RSS) and will be distributed to citizens and establishments free of charge as part of efforts to reduce the cost of energy consumption in Jordan, he said.

The bulletin contains a number of simple and practical instructions which can be directly applied by the consumer through the use of materials and instruments available at the market at a reasonable cost, he said.

If these instructions are applied, they would reduce the cost of energy for heating, lighting, cooking, and driving. Mr. Badran added. The book is in simple language with explanatory pictures easy to understand and deals with thermal isolation, reasons for the loss of energy, ways on economising in energy consumption, and fuel consumption of cars, he added.

Mr. Badran said the basic goal of energy conservation is not to reduce the consumption but to make maximum utilisation of it.

NEWS IN BRIEF

Soviet Islamic leader leaves Amman

AMMAN (J.T.) — Head of the religious administration at the Soviet Socialist Republic of Azerbaijan Sheikh Al Islam Shukrullah left Amman for home Thursday at the end of a 10-day official visit to Jordan. During his visit, Sheikh Shukrullah met His Royal Highness Crown Prince Hassan, the Regent, Prime Minister Mudar Badran, National Consultative Council (NCC) Speaker Suleiman Arar, Awqaf and Religious Affairs Minister Kamel Al Sharif and a number of officials and clergymen. He also visited the University of Jordan and a number of mosques and historic and Islamic places in the country.

Open dialogue on Mideast to be held

AMMAN (Petra) — Three Jordanian intellectuals are scheduled to deliver speeches about possibilities of peace in the Middle East in an open dialogue to be held Saturday at the Professional Associations Complex. The dialogue is organised by the Arab Women Alumni Club. The club has invited Information Minister Adnan Abu Odeh, National Consultative Council (NCC) member Jamal Al Shaer, and Dr. Kamel Abu Jaber, professor at the University of Jordan, to speak at the debate.

Soviet team visits Red Crescent Society

AMMAN (Petra) — A delegation of the Soviet Red Cross and Red Crescent societies, accompanied by Jordanian Red Crescent Society President Ahmad Abu Qourah, Friday visited the Jordanian Red Crescent Society's branch in Aqaba where they were acquainted with the activities of the branch and the nature of the services it renders to the residents. The Soviet delegation, which is on an official visit to Jordan, visited Petra Thursday.

Tunisia-Jordan transport ties discussed

TUNIS (Petra) — Tunisian Transport and Communications Minister Al Sadeq Ibn Jun'ah Thursday received Jordanian Transport Ministry Under-Secretary Hashem Al Taher, who is currently visiting Tunisia. They discussed the aspects of cooperation in the fields of transport and communications, particularly maritime, air and railway transport, and stressed the need for strengthening this cooperation and increasing trade between the two countries. They also reviewed Mr. Jun'ah's talks in Jordan during his recent visit.

AOAS to begin general meetings today

AMMAN (Petra) — The general meetings of the Arab Organisation of Administrative Sciences (AOAS) will begin its meetings at the AOAS headquarters in Amman Saturday. Most important topics listed on the agenda of the week-long meetings is the approval of the AOAS budget and its work programme for 1983, the review of the AOAS role in Arab administrative development and future plans. Arab countries are members of the AOAS.

Jordan to attend interior ministers summit

AMMAN (Petra) — Jordan will participate in the meetings of Arab interior ministers council scheduled to begin in Rabat Dec. 13. A Jordanian delegation headed by Interior Minister Ahmad Obeidat will leave Amman Monday to attend the three-day meetings. The Jordanian delegation to the meetings includes Public Security Director Lt.-Gen. Mohammad Idris, Al Balqa Governor Mohammad Al Khatab, Interior Ministry Assistant Under-Secretary Akram Al Nasir, Criminal Investigations Director at the Public Security Department Lt.-Col. Mohammad Al Tarazi, and Interior Minister's Office Director Mohammad Hamdan. At the end of the meetings, Mr. Obeidat will pay an official visit to Morocco at the invitation of his Moroccan counterpart.

BRIEFS

By Keith Stanford
Rex Features

TAKAYAMA, Japan. — Japanese tipplers are turning more and more to wine and whisky and giving a headache to the makers of the traditional Japanese sake drink.

In this mountain resort the aroma of brewing barrels around the sake shops in the narrow streets of the old town. But in fashionable brightly-lit bars one hundred metres away other drinks are preferred by many customers.

Takayama and its old-established sake brewing companies are suffering from the cha-

Whisky and wine hurt Japanese sake industry

ning habits of the Japanese drinker.

The country's total consumption of alcoholic drink has remained stable at about seven million kilolitres (1,540 million gallons) over the last three years but sake drinking has declined.

"This flagging consumption of sake is being caused by the westernisation of Japanese families and their changing tastes for food," said Benichi Ikeda, a member of the Japanese sake ass-

ociation's secretariat.

Japanese legend has it that sake was first drunk by the gods. But mere mortals in Japan sipped their way through 1.5 billion litres (330 million gallons) of it last year, just slightly less than they did 10 years ago.

In the same decade, Japanese beer-drinking increased by 64 per cent to 4.5 billion litres (990 million gallons), whisky-drinking by 140 per cent to 340 million litres (75,000 gallons) and wine-

drinking by a staggering 500 per cent to 55 million litres (1.75 million gallons).

The sake association is so worried by the change in drinking habits it has opened a promotion centre in the fashionable Ginza district in the heart of Tokyo.

"We in the sake industry are lagging behind in promotion compared with the few big beer breweries and whisky distilleries because there are still nearly 2,600 sake manufacturers across the

country," Mr. Ikeda said.

For Western palates sake can best be described as a light sherry, served warm in small ceramic cups from small flasks.

Rolled out in colourful wooden barrels protected by swathes of rice-straw, it is a main feature at festivals and cherry-blossom viewing parties.

At the sake breweries, cooked rice carrying a yeast fungus is added to fresh rice and hot water to ferment. Unlike wine, sake

does not mature with age and is best drunk young.

It does not taste like a strong drink, probably because the heating gives a mellow taste and drives away throat-wrenching acids.

The alcoholic content ranges from 16 to 17 per cent and its potency creeps up on a person quickly.

But hardy tipplers in Japan these days are moving to whisky, popularised by "mizuwari" (whi-

sky and water) or "onzarokku" (on the rocks).

Japanese whisky manufacturers, who often use Scotland's malts for blending, are predominant, but the Scottish highland distilleries have launched a big promotion campaign to increase their share of the Japanese market from 7.5 per cent.

While whisky is cutting into the sake market, Mr. Ikeda said he thought more damage was being

done by the national swing to wine.

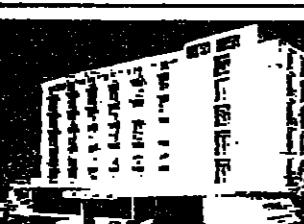
The Japanese are becoming more western every year, enjoying British and French fashions, the U.S. national sport of baseball and Western-style furniture, and their drinking habits are following the trend.

Favourite brands of wine come from France and West Germany, with local wines from the mountains to the north of Tokyo helping to maintain the supply.

Californian wines are reasonably well-established but surprisingly Australia, a traditional food supplier to Japan, has only one per cent of the wine market.

JORDAN MARKETPLACE

HOTELS



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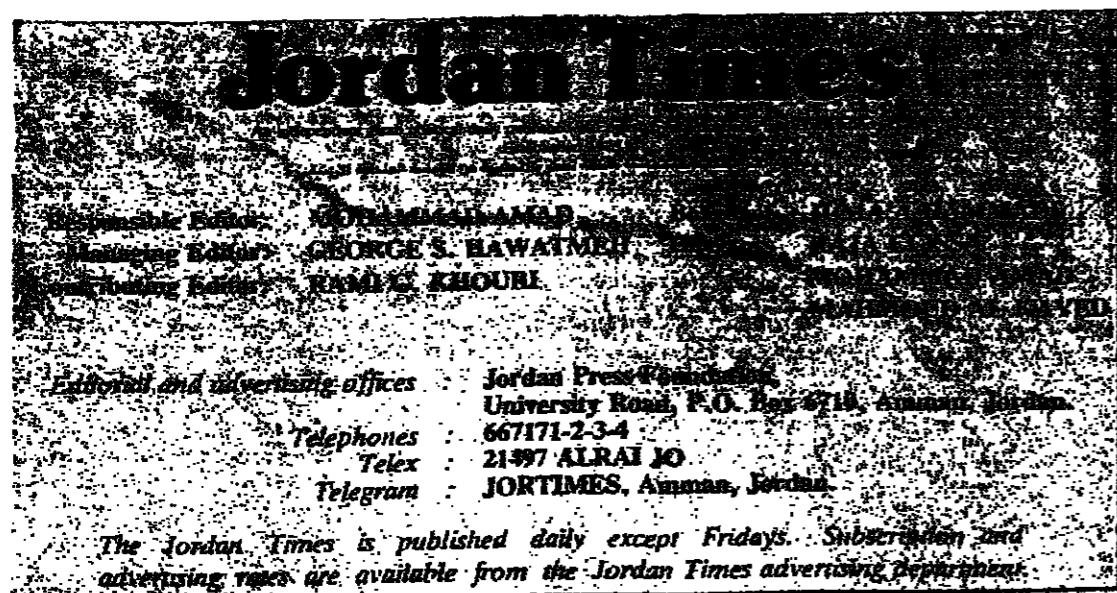
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We in Jordan should start asking ourselves questions about our bureaucratic practices. Where have they reached, now that many citizens, on the individual level or in small groups or concerns, or government departments and agencies, need to hire the general-purpose man in order not to spend a good deal of their lives on obtaining a licence or paying a bill or, more importantly, in pushing the wheel of our own development.

By historical standards, Jordan is a modern state. The first time we had our first government (cabinet) was in 1921. We have grown so much as a nation since then, and so has our government. But, at times, the growth of this sector did not match the other,

and some gaps unfortunately were left to widen without remedy.

Jordanians are generally proud of their achievements, and they have every right and very good reasons to be so. Despite scarcity of resources in the middle of a rich region, Jordan has been facing issues of development with determination and success. The Kingdom has also been able to boast a stability and progress almost unparalleled in a turmoil-ridden Middle East. In the process, we often paid special attention to nurturing our culture and to preserving our heritage and traditions. We have not always been successful, but we did something where we could and tried hard in other cases.

For now, the experience that we have gained from building this modern nation without destroying its precious old values should be extended to learning more about our bureaucratic practices. We should try to understand whether and why bureaucracy is hindering our development; whether there is something that we can do now to stop the growth of office work into a bureaucratic monster or its infiltration into vital institutions; and, last but not least, whether the creation and introduction into the society of the general-purpose class is the right answer to solve the problem in Jordan. Unless we start understanding now, there might not be a better chance in the future.

JORDAN'S ARABIC PRESS EDITORIALS

Al Ra'i: Mideast awaits Japanese to act

His Majesty King Hussein's visit to Japan Thursday is among Jordan's major steps in the drive for defending the Palestinian cause, and rallying forces in support of a just and comprehensive peace in the Middle East.

The visit also opens new avenues for promoting bilateral relations among the two countries in the economic, technological and cultural spheres, in what serves the mutual interests of the two friendly people.

Japan, as a leading industrial state in our modern world, is fully entitled to play a political role expressive of its economic weight, in support of legitimate Arab rights. The size of Japanese economic and trade interests and relations with the

Arab World is no insignificant factor that should make such a role desirable as well as necessary.

The Arabs should naturally ask for a more effective Japanese presence in the general effort for resolving the region's conflict. Such presence should exceed theoretical support to practical political activity taking part in a comprehensive effort by the great powers, aimed at ending the Israeli occupation of Arab territories, and establishing the long-awaited peace in the region.

Taking such elements into account, the King's visit to Japan serves as a lively reminder to the Japanese leadership, and a gesture of encouragement to them for taking their natural share of responsibility for peace in the area.

Al Dustour: Japan can contribute a lot

His Majesty King Hussein started his visit to Japan Saturday. And despite the fact that bilateral issues will be the main concern of the two sides, several issues will imperatively force their presence into the talks, on top of which will be questions related to the Middle East situation, and its major aspect, the Palestinian problem.

Japan, regardless of its special ties with the U.S., has been able to adopt a dependent stand towards Palestinian rights; and hence was its open support for the Arab peace plan, and the Reagan initiative for the Middle East. Japan also called for the immediate withdrawal of Israeli forces from Lebanon, and unreservedly condemned those responsible for the Sabra and Shatila massacre of hundreds of Palestinian civilians last September.

Japan, who suffered the tormenting agonies of

war, certainly appreciates the Arab peace initiative, and supports the resolving of the Middle-East conflict on the basis of recognising Palestinian rights, and eliminating hotbeds of war in the region.

In this light, the King's visit to friendly Japan, as a leading Asian country and an effective economic force, is of great consequence, not only for strengthening bilateral relations among the two countries, but also for an active role in the international effort for peace in the region.

Japan has helped greatly in executing many successful economic projects in the Arab World. Japan's technological progress, and advanced know-how have been unconditionally forwarded to the Arabs, which helped promote mutual confidence, and strengthen friendly ties between the two nations.

Economic crisis, corruption and defeat in the Falklands conflict

Argentina: Fears of political collapse

By Robert Powell
Reuters

BUENOS AIRES — A growing confrontation between Argentina's military government and the civilian population has raised fears that the country is on the verge of political collapse.

President Reynaldo Bignone has promised to restore democracy by March 1984 but his government has been thrown into crisis by the refusal of political parties to negotiate a transition agreement with the armed forces.

They held them responsible for Argentina's economic crisis, the country's defeat in the Falklands (Malvinas) conflict earlier this year and widespread corruption in government, the paper said.

These officers shared the same frustrations as a new generation of trade union leaders, who reflected militant grassroots attitudes that clashed with the more moderate approach of the national union bosses, it added.

Reflecting a general feeling in the press of impending crisis, the English-language Buenos Aires Herald went so far as to compare Argentina with pre-revolutionary France or Russia. However, the newspaper Clarin said the junta was studying a new plan to try and reduce tension.

This consisted of a unilateral initiative by the military government to deal with Argentina's most delicate and potentially explosive political problem, the fate of thousands of people who disappeared during the armed forces' "dirty war" against leftist guerrillas in the late 1970s.

Human rights groups estimate that between 6,000 and 30,000 people have disappeared since 1976, and believe that most of them were killed secretly by the security forces.

According to the plan, the government would pass an amnesty law pardoning all military personnel for "excesses" they might have committed during the anti-guerrilla campaign, Clarin said. But first it would have to gain tacit approval for the move from the Roman Catholic church and Argentina's two main political parties, the Peronists and the Radicals, it added.

This would entail a public explanation of the way the "dirty war" was carried out and accounting for about half of the 6,504 people whose disappearance has been registered with the interior ministry, Clarin said.

Military sources told Reuters that an initiative of this kind was being considered and sources in the moderate wing of the Radical Party said such an arrangement would be acceptable. In addition, Clarin said the junta was planning to lift the current state of siege, partially replacing it with new legislation to prevent the return of several hundred exiled leftists.

The new measures would probably be announced in the crucial third week of December, when the march for democracy on Dec. 16 is followed by a planned "day of national contrition," decreed by the church for Dec. 19, the paper said.

With whom Mr. Habib has been talking, leftist Druze Walid Jumblatt, narrowly survived a bomb attack in central Beirut last week. In another clear sign that the U.S. Marines were preparing for a long stay, the nuclear-powered aircraft carrier Nimitz was expected in the eastern Mediterranean within the next few days to replace the steam-powered carrier Independence, the diplomats said.

Mutterings of dissatisfaction with Michael Foot

The firebrand orator stands firm against critics

By Barry May
Reuters

LONDON — Michael Foot, veteran leader of Britain's Labour Party, is standing firm against critics who see him as a political liability and want him to step down before the next general election.

Mr. Foot, 69, who had ridden out leadership crises before, defiantly told his detractors this week that he had no intention of leading the party to defeat: "I have a duty to this party, placed upon me when I was elected. "I propose to discharge it, the best of my ability, to the close of poll on election day and thereafter as the duly elected democratic Socialist prime minister of this country."

The firebrand orator and one-time rebel left-winger with flowing white hair, pebble-thick spectacles and shuffling gait, could not have put it more plainly. He hopes his unequivocal declaration has scuttled talk of him quitting.

The speculation was rampant in the national press, which generally supports the ruling Conservative Party, and was largely based on gossip heard around the halls of Parliament.

The speculation grew out of his well-publicised difficulties in trying to unite Labour's feuding factions to present voters with a cohesive alternative government at the next election — which most politicians expect to be called in 1983. Mr. Foot took over as party leader two years ago when former Prime Minister James Callaghan bowed out.

Mutterings of dissatisfaction with his leadership by party members have grown louder as his problems piled up. The criticism, sharpened by the spectre of Labour's defeat, eventually reached crescendo. His detractors contended that Mr. Foot, chosen as a peace-maker to bring together Labour's quarrelsome left and right wings, has failed to unite all factions of the party.

They say he has not acted decisively against Militant Tendency, a Marxist group that he vowed to expel from Labour's ranks because he said it was a party within

the party. He looks like backing down on an extreme left-wing candidate for parliament who he once said would run on a Labour ticket only over his dead body.



Feeble attacks

Critics also feel that his attacks on Prime Minister Margaret Thatcher's right-wing Conservative Party government for its record on unemployment, acknowledged in surveys of public opinion to be dominant political issue, have been feeble.

Labour has been unable to turn the political gift of record unemployment into a burning issue that can be used to score points off the Conservatives. Mr. Foot bungled a chance to re-shape the shadow cabinet, his alternative ministers in parliament, into a more dynamic team by being dissuaded from promoting Neil Kinnock, a personal friend and a rising star of the Labour movement.

If only, say the critics, the Labour leader's personal standing in the esteem of the public at large is miserably low. The battle for the succession was openly discussed by those who wanted him out. Deputy party leader Denis Healey, who opposed Mr. Foot for the job two years ago and lost, was seen as heir-apparent. But party sources said Peter Shore, Labour's economic affairs spokesman, would also figure in any leadership challenge along the Roy Hatfield lines.

From now on, he said, anyone who defected Labour from its central task of winning the next election would not be forgiven by the party as a whole. "It is my duty as the elected leader of the party to act against internal as well as external opponents and against all those self-important sectarians who could cause us to stumble on the road to a labour victory," he said.

His declared determination to carry on coincided with signs of an impovement in his party's fortunes. An opinion poll by Market Opinion Research International (MORI) for the Daily Express newspaper showed that Labour had raised its share of voter support and also narrowed the Conservative lead to eight percentage points from 11 in October.

Support for the middle-of-the-road alliance between the Liberal and Social Democratic Parties had slipped to 14 points behind Labour, its lowest level this year, the poll showed. Analysis by The New Statesman of actual voting in 34 local authority by-elections over the past six weeks suggested that the two main parties were running more or less neck-and-neck, with only one tenth of one percentage point separating them.

The weekly's political editor, Peter Kellner, estimated national support implied by the voting was: Conservative 37 per cent, Labour 34 per cent, Alliance 27 per cent. If a general election were called now and took place within the month, the Conservatives might end up with a lead of only two points on polling day, he said.

Military plan depends on withdrawal and ceasefire

An extended stay and more active role expected for peacekeeping force in Beirut

By Phil Davison
Reuters

BEIRUT — The United States Marines who arrived in Beirut in September as part of a three-nation peacekeeping force are preparing for an extended stay and a more active role, according to Western diplomats in the capital.

The Marines began bringing ashore heavy artillery last week — six 155 mm Howitzers — and were expecting five M-60 tanks from a landing craft within the next few days. They also began widening their patrol areas in predominantly-Muslim west Beirut.

The new measures would probably be announced in the crucial third week of December, when the march for democracy on Dec. 16 is followed by a planned "day of national contrition," decreed by the church for Dec. 19, the paper said.

With whom Mr. Habib has been talking, leftist Druze Walid Jumblatt, narrowly survived a bomb attack in central Beirut last week. In another clear sign that the U.S. Marines were preparing for a long stay, the nuclear-powered aircraft carrier Nimitz was expected in the eastern Mediterranean within the next few days to replace the steam-powered carrier Independence, the diplomats said.

Until now, the Marines had patrolled only in jeeps, making regular tours of mainly-Christian east Beirut. The Western diplomats said the new patrols and the arrival of heavy weaponry were the first stage of a plan to allow the Marines and the French and Italian troops who make up the international force to keep the peace in a wider area in and outside Beirut.

The military plan is dependent on successful negotiations for the withdrawal of Israeli, Syrian and Palestine Liberation Organisation (PLO) forces from Lebanon, they said. U.S. Middle East Envoy Philip Habib is shuttling between regional capitals trying to get the negotiations under way, starting with direct talks between Israel and Lebanon.

The diplomats said the military plan also depended on Mr. Habib securing a ceasefire agreement from community leaders in the mountains behind Beirut. Most of the mountain area is at present under Israeli army control but is the scene of regular clashes between right-wing Christian militiamen and leftist Druze Muslims.

One of the communist leaders

through jeep and foot patrols. The second phase would be for the multi-national force to move gradually into the whole of east Beirut, setting up fixed positions with the Lebanese army moving in behind them. At present, the Lebanese army controls only west Beirut and a small, largely-uninhabited area of east Beirut around the former "green line" zone which split the city into mainly Christian and Muslim sections.

West Beirut was vacated by PLO guerrillas in August after the Israeli invasion of Lebanon and bombardment of west Beirut and the Israelis later disarmed leftist groups which, along with the PLO, once controlled the western half of the city. Falangist militiamen controlled east Beirut until the election of President Amin Gemayel, brother of assassinated Falangist militia leader Bashir Gemayel.

The militiamen then pulled back into their barracks in an apparent unwritten deal with the president, under which he did not send the Lebanese army deep into east Beirut and did not attempt to disarm the Falangists.

The Western diplomats said phase two of the military plan would require the agreement of the Falangist militiamen and that this was being negotiated in Mr. Habib's talks and inter-communal discussions among Lebanese leaders. Phase three would be for the multi-national force to move into the mountains to keep the peace between the Christians and Druze Muslims after the withdrawal of the Israelis, the diplomats said.

This was seen as potentially the most hazardous part of the plan and would require a ceasefire agreement from the two communities to prevent the multi-national troops from being sucked into guerrilla warfare, they added. The U.S. Marines have already made helicopter surveillance flights over the mountains to study the terrain, the diplomats said.

Three phases

The first was the current one, with the U.S., French and Italian keeping command posts in Beirut and demonstrating their presence.



Al Anbaa

Lebanon

Developing Arab capital markets

By Hikmat Sharif Nashashibi

The recent focus on Arab capital markets by businessmen and politicians has been encouraged by the structural differences in the Arab region, that were magnified by the oil price increases of the 1970s and the appearance of the so-called oil-financial surpluses. The factor mix in various Arab countries divides them into two groups: the capital-abundant but labour-scarce petroleum exporting countries, and the deficit Arab countries with precisely the opposite characteristics. The former are accumulating liquid assets far in excess of their present ability to absorb capital. The latter, however, are suffering from a lack of capital while, ironically, displaying, in most cases, a greater capital absorptive capacity.

The challenge, therefore, lies in harmonising the long-term investment interests of the surplus countries with the development needs and economic potentials of the deficit countries. To reach this goal, financial assistance is necessary but can only be considered as temporary, while the capacity of the deficit countries to attract and remunerate investors on a commercial basis must be made to grow. This done, the Arab region's investment opportunities will compete evenly with such opportunities in Europe, the U.S., Japan and Asia to attract Arab finance. The development of Arab capital markets is central to this process.

With personal savings coming increasingly into their own, "quasi-private" capital markets in the Arab World are beginning to play an important role, despite sizable government savings. The scale of public investment, however, and the dominant position of government in these economies, leaves a relatively small but growing area in which the play of market forces determines prices and the allocation of capital. Our use of term "quasi-private" in describing these markets is significant, since official and quasi-official bodies will continue to give the basic tone to regional capital flows.

The aim of this study is to indicate the prospects for moving towards the integration of Arab capital markets in the context of the efforts made to improve the

performance of certain domestic capital markets and to promote regional financial cooperation. We do not aim here to analyse and evaluate individual Arab domestic markets; instead, the focus is on the likely prospects for increased linkages between different domestic markets. The alternatives are weighed, be they policies of direct integration, or less direct, and possibly more pragmatic means. Efforts applied towards the reform of institutional structures and interrelationships in certain countries have greatly improved the basis for further intellectual speculation on these questions and the prospects for improved regional linkages. We shall review some of these efforts:

Official efforts

Steps have been taken at the local bilateral and multilateral levels. More specifically, we shall also see that multilateral efforts in the area of cooperation between the Gulf states have been in evidence.

a) Measures aiming at developing local capital markets

Such measures were primarily concerned with developing local institutions, instruments and legislation with respect to debt and equity markets. The Kuwaiti Dinar Eurobond Market has grown to a total float in excess of \$2 billion, for instance. This growth has allowed easier access to Kuwaiti markets by some Arab borrowers. Similarly, the development of Amman markets has led to the involvement of more Arab money in the financing of Jordanian projects.

b) Bilateral financial cooperation

This has involved measures which support development funds or banks, such as the Kuwait Fund for Economic Development, the Saudi Development Fund, the Libyan Arab Foreign Bank, the Abu Dhabi Fund for Economic Development and the Iraqi External Fund, etc. They also include government-to-government loans. Such financial operations, however, are usually conducted outside the market place and as such as "off-market transactions."

c) Multilateral financial co-operation

Two major multilateral Arab institutions have been created, namely, the Arab Monetary Fund

and the Arab Fund for Economic and Social Development. The setting up of the Inter-Arab Investment Guarantee Corporation, as well as the Unified Arab Investment Agreement which was signed in November 1980 at the Arab Economic Summit in Amman, are also important. Other multilateral institutions have been established in different specialised sectors, such as the Arab Petroleum Investments Corporation sponsored by the Organisation of Arab Petroleum Exporting Countries, the Arab Maritime Transport Company, the Arab Mining Company and the Arab Company for Development.

d) Measures for financial cooperation in the Gulf region

Financial cooperation between the Gulf states has taken the form of a priority given the parallel aims of the Gulf governments. Frequent meetings of representatives of Gulf central banks and efforts made towards coordination of investment policies, such as the planned Gulf Investment Authority, are examples of cooperation between these countries.

Private efforts

At the private level, regional flows of funds through existing and newly founded Arab financial institutions have increased.

a) Private equity financing

Private equity financing ranged from real estate agreements to the creation of many joint Arab companies. Both the host countries and the capital exporting countries have a shared interest in this form of private financing: the capital-importing countries are relieved from additional cost of debt servicing -- this is particularly important for Arab countries which are heavily indebted and have approached their borrowing limits: the surplus countries participate in the productive facilities of the region and are not merely money-lenders.

b) Lending activities

Private flows among Arab countries and their interface with other Arab countries have varied. Kuwait has emerged as a capital exporter in the Arab World ("in-to-out" market); Bahrain has established itself largely as an offshore centre

("out-to-out" market); and Amman has developed a financial market to attract Arab capital for local investment ("out-to-in" market).

C) Mixed (official/private) regional financing

An example of cooperation between official lending institutions and the private sector is the Arab Authority for Agriculture Development and Investment. The Authority is to implement a basic agricultural programme for Sudan as well as other Arab countries. The fundamental consideration of the programme is to achieve a balance between commercial investment and development finance.

D) Measures for financial cooperation in the Arab region

The shortcomings of capital markets in many Arab countries are not due to a lack of overall savings, but rather to an imbalance between the supply and demand for capital at different maturity levels. With undeveloped and small markets, the investor's liquidity preference is high, whereas the demand for funds is of a longer-term nature and sometimes needs a concessional component due to the low internal rate of return on the average project.

The prospect of integrating Arab capital markets raises the question of the possible disparities in the saving rates between different countries, and in the types of new institutions needed to transform short money into long money and to effect transfer of capital between high and low saving areas. The way in which financing requirements are met depends to a large extent on the composition of the funds available, and although there is a supply of long-term money in the aid sector, most funds (including government funds) are short-term deposits, and large Eurobanking groups based in the Arab World and abroad are needed to effect this transformation. To some extent we have seen the growth of Eurobanking in the Arab World and we shall deal with these questions a little further on.

It can be argued that in certain respects the shortcomings of the various domestic markets are an obstacle to the establishment of an integrated Arab capital market, in that projects for reform are still rudimentary and many problems remain to be faced. While this is true, the reforms being planned in various Arab countries for the development of local markets make this an appropriate moment to lay the foundations of a capital market on a pan-Arab scale. As we have seen, there is a natural complementarity between the wish to improve the efficiency of domestic markets and the aim of developing an Arab regional market, and the measures that can help to improve the local markets will, as a rule, be the same as those needed to develop an integrated Arab capital market.

E) Regional capital market

The financing of economic growth in individual Arab countries will increasingly depend on a regional capital market, because of the growing size of the funds needed. The establishment of a wider Arab market will facilitate this by:

(1) offering Arab enterprises

new and more varied opportunities of obtaining non-local sources of funds that can help them expand to the size needed for efficient operation on a regional scale.

(2) bringing the conditions on which finance can be obtained in different Arab markets more in line with each other and so reducing the present distortions.

(3) increasing the supply of capital as financial savings are attracted to the market by the wider range of investment outlets.

(4) intensifying financial flows and reducing the risk of disturbances that are characteristic of excessively narrow markets.

It is difficult to assess the actual degree of integration among Arab capital markets. Linkages with international capital markets are large, compared to those between Arab markets themselves. This naturally is a direct reflection of the prevailing pattern of trade and economic relations between Arab countries and the rest of the world. With intra-Arab trade not exceeding 10% of total Arab exports and imports, and in the absence of a pan-Arab policy aiming at economic integration, plans for direct integration of Arab capital markets at present appear to be "Utopian" in nature, and not obviously linked to real economic relations.

The concept of a regional Arab capital market is in essence an economic "super-structure" providing liquidity for more fundamental (or what one might term "infrastructural") trade and economic relationships. As is always the case, the infrastructure should determine the nature of the superstructure. To a large extent, therefore, the promotion of regional trade and the coordination of development programmes will shape what happens to a regional Arab capital market.

Perhaps the best indication of the weak direct integration of Arab capital markets is the large volume of borrowing and investment which is undertaken by Arab entities through the Euromarkets. In this respect, statistics show that the volume of borrowing by Arabs in the Eurobond market during the period 1972-1981, in the form of public issues and private placements, was approximately \$1.7 billion. Furthermore, statistics show that the volume of Arab borrowing (both private and public) in the Eurocurrency market, was \$2.8 billion during the same period. This was in the form of floating rate syndicated bank credits which were completed to finance specific projects, as many Arab Eurocredits completed may have been unpublishable, sometimes at the request of the borrowers themselves.

The volume of total Arab borrowing (bonds and credits) during the period 1972-1981, therefore, stands at over \$30 billion, and the predominant portion of it is done through the Euromarkets. This figure, I must add, excludes short-term debt with a maturity of one year or less. To the extent that a proportion of this will be refinanced with longer term Eurobonds, the omission significantly understates the outstanding debt position of Arab borrowers on the international capital markets.

F) Euromarkets main outlet

An interesting point is that, not only did the Euromarkets accommodate the bulk of Arab borrowing in the period 1972-1981, but they were also the main investment outlet for the financial surpluses generated and accumulated by the Arab region. In fact, Arab investment in the Euromarkets were in magnitudes that could have covered the region's loan demand many times over. Therefore, a large gap exists, in Arab financial intermediation. Bridging this gap is a necessary condition for achieving a better degree of financial equilibrium in the Arab region. Perhaps this represents the most important challenge to developing Arab capital markets. It relates to transforming the region's potential demand for loanable funds into an effective or real demand -- or to use the investment banker's jargon "bankable demand" -- while simultaneously reaping the benefits derived from investment outside the region. In this way, Arab capital markets can provide the real balance between local, regional and international investments, and the mechanism or the "invisible hand" that will achieve a better allocation of the region's financial resources.

G) Progress made in establishing an integrated Arab capital market

Progress made in establishing an integrated Arab capital market will depend upon coordination of monetary and foreign exchange policies and on the extent to which public finances are professionally managed.

Only under these conditions would it be possible to ensure a steady expansion of savings and to avoid setbacks due to conflicting measures taken by governments in their endeavours to re-establish equilibrium in price trends and in external payments.

H) The correct management of individual domestic markets

which should represent the most recent statistics that one can possibly compile.

During the full year 1981 and the first quarter of 1982 medium-term syndicated bank credits, private placements and international issues completed in the Euromarkets in favour of Arab borrowers amounted to \$6.3 billion.

Of that figure \$3.4 billion (54%)

was accommodated by Arab financial institutions acting as lead managers to these transactions on the international markets.

Though integration represents the fulfilment of complete elimination of all impediments to the free flow of capital among Arab countries, financial surpluses can also escape national boundaries, to the extent permitted by restrictions on direct integration of Arab capital markets, by entering the international capital markets.

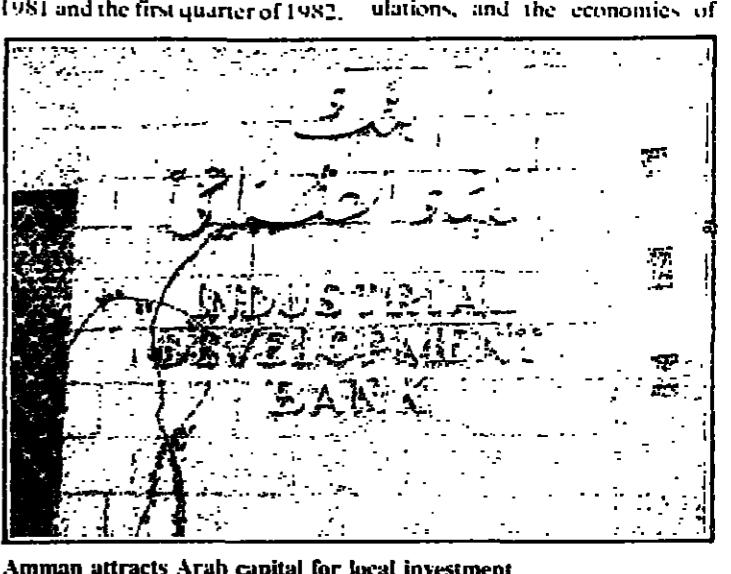
Within a single economy or region the flow of funds accounts describes how financial deficits are financed and surpluses disposed of, including the extent to which financial institutions and the capital market channel the funds from surplus to deficit sectors. In particular, the intermediation process implies (1) a degree of maturity transformation, in as much as the intermediary offers the surplus sector, a relatively short-term claim, and the deficit (borrowing) sector a long-term liability and (ii) a higher degree of marketability and lower risk to the financial claim for the surplus sector than to the deficit sectors. The same is true of international intermediation. The various segments of the Eurocapital market perform on a world scale the traditional role of financial intermediation, analogues to the

process performed on the domestic level, and much more so on the regional level. Both regional and international intermediaries involve inter-country and currency flows and hence have problems and issues peculiar to them.

Arab-to-Arab lending

Statistics, which I was able to compile and which are annexed to this study, show that in the period between 1976 and the first quarter of 1981, Arab banks participated as lead managers to Eurobonds completed for various borrowers in the world to the tune of \$12.1 billion. Of this figure, interestingly enough, \$5.6 billion (46%) were Eurobonds managed for Arab borrowers. The statistics have been compiled on the basis of crediting sole lead managers with the full amount of the loan transacted, and in case there is more than one lead manager to a Eurobond, they receive equally divided credits.

The progress of this Arab-to-Arab lending via the Euromarkets was more noticeable in 1981 and the first quarter of 1982,



Amman attracts Arab capital for local investment

recent years, particularly in Eurobonds.

In fact, the international capital market sometimes intermediates between the surplus and deficit sectors within the same country, more efficiently than local markets, because of the broader market and high structure offered to both lenders and borrowers. This is particularly true when the surplus and deficit sectors are resident in countries with rudimentary capital markets.

The competitive advantage of the Euromarkets over its domestic and regional counterparts is due to the absence of official reserve requirements on banks' liabilities, the absence of interest rate regulations, and the economics of

scale which permit the intermediation of differing maturity preferences of borrowers and lenders and their willingness to accept conditionality, thereby reducing the risk of direct lending.

Furthermore, the economies of scale manifest themselves through their wholesale functions and thus reduce costs and risks by permitting the intermediaries to acquire more diversified portfolios than can individual sectors or countries.

Though an integrated Arab capital market ought to be the result of natural economic development, it will, nonetheless, require constructive input from Arab governments and financial institutions. The adjustments which the governments will have to make are concerned primarily with closer coordination of their national economic policies and the financial instruments they use: their overall objectives, however, need not necessarily be drastically altered to make progress in this direction. As these adjustments are carried out, the Arab financial institutions that are currently more active in Eurolending will be able to set the pace for the rest of the market.

A more integrated Arab capital market that stems from all that, will take the form of a network of transnational, which, if at first limited, will gradually be extended to cover all categories of financial flows. And at every step of its gradual growth an Arab market has to be efficient enough to offer comparative advantages to borrowers, in terms of amounts, maturities, types of finance and costs of funding, as well as, investment attractions to lenders.

-OAPEC bulletin

Kuwait has emerged as an exporter of capital in the Arab World

TV & RADIO	WHAT'S GOING ON	FOR THE TRAVELLER	USEFUL TELEPHONE NOS.
JORDAN TELEVISION			
MAIN CHANNEL			
65.30 Koran 65.59 Cartoons 66.10 Local Children's Programme 67.28 Local Programme 67.30 Agricultural Programme 68.00 News in Arabic 68.30 Arabic Services 68.35 Wrestling 69.00 Arabic Play 69.10 News in Arabic 69.15 Arabic Play Cont.			
FOREIGN CHANNEL			
66.80 French Programme 67.40 News in French 67.50 News in Hebrew 68.20 Comedy: Man About the House 68.30 Magic 68.30 Saturday Variety Show 68.40 News in English 68.45 Feature Film: Nightmare in Badham			
RADIO JORDAN			
83.5 KHz, AM & 99 MHz, FM & partly on 95.6 KHz, SW			
7.30 Morning Show 8.00 News Bulletin 8.30 News Summary 8.45 News Summary 8.50 Pop Session 8.55 News Bulletin 9.30 Concert Hour 10.00 News Summary 10.15 Internationals 10.30 Jordan Weekly 10.45 Special Feature 10.55 News Summary 10.55 Special Feature 11.00 News Bulletin 11.15 News Headlines, Sign Off			
VOICE OF AMERICA			
65.00 The Breakfast Show: 17.00 News and This Week: 17.30 News Conference 66.00 Sports 66.10 Short Stories: 18.30 News 66.15 Saturday Special: 19.00 News 66.20 Sunday Special: 19.00 News 66.25 Book Choice: 19.45 Sports 66.30 Special Report: 20.00 World News 66.35 News About Britain: 20.15 The Midweek Cuckoo: 16.00 They Write the Songs: 16.30 Fiesta: 17.00 Radio Newell: 17.30 Saturday Special: 18.00 World News: 18.00 Commentary 18.15 Saturday Special: 19.00 News Summer: 19.15 Saturday Special: 19.00 News Book Choice: 19.45 Sports 66.40 Special Report: 20.00 World News 66.45 News About Britain: 20.15 The Midweek Cuckoo: 16.00 They Write the Songs: 16.30 Fiesta: 17.00 Radio Newell: 17.30 Saturday Special: 18.00 World News: 18.00 Commentary 18.15 Saturday Special: 19.00 News Summer: 19.15 Saturday Special: 19.00 News Book Choice: 19.45 Sports 66.40 Special Report: 20.00 World News 66.45 News About Britain: 20.15 The Midweek Cuckoo: 16.00 They Write the Songs: 16.30 Fiesta: 17.00 Radio Newell: 17.30 Saturday Special: 18.00 World News: 18.00 Commentary 18.15 Saturday Special: 19.00 News Summer: 19.15 Saturday Special: 19.00 News Book Choice: 19.45 Sports 66.40 Special Report: 20.00 World News 66.45 News About Britain: 20.15 The Midweek Cuckoo: 16.00 They Write the Songs: 16.30 Fiesta: 17.00 Radio Newell: 17.30 Saturday Special: 18.00 World News: 18.00 Commentary 18.15 Saturday Special: 19.00 News Summer: 19.15 Saturday Special: 19.00 News Book Choice: 19.45 Sports 66.40 Special Report: 20.00 World News 66.45 News About Britain: 20.15 The Midweek Cuckoo: 16.00 They Write the Songs: 16.30 Fiesta: 17.00 Radio Newell: 17.30 Saturday Special: 18.00 World News: 18.00 Commentary 18.15 Saturday Special: 19.00 News Summer: 19.15 Saturday Special: 19.00 News Book Choice: 19.45 Sports 66.40 Special Report: 20.00 World News 66.45 News About Britain: 20.15 The Midweek Cuckoo: 16.00 They Write the Songs: 16.30 Fiesta: 17.00 Radio Newell: 17.30 Saturday Special: 18.00 World News: 18.00 Commentary 18.15 Saturday Special: 19.00 News Summer: 19.15 Saturday Special: 19.00 News Book Choice: 19.45 Sports 66.40 Special Report: 20.00 World News 66.45 News About Britain: 20.15 The Midweek Cuckoo: 16.00 They Write the Songs: 16.30 Fiesta: 17.00 Radio Newell: 17.30 Saturday Special: 18.00 World News: 18.00 Commentary 18.15 Saturday Special: 19.00 News			

ECONOMY

Evren to promote Turkey's ties with Asian nations

ANKARA (R) — Turkish President Kenan Evren flies to China on Sunday to begin a five-nation tour of Asia aimed at cementing bilateral ties in the region with a special emphasis on trading links.

In his first foreign trip since being elected president in a national referendum on a new constitution last month, Gen. Evren will spend four days in China, three in Indonesia, three in South Korea, two in Bangladesh and one in Pakistan before returning home on Dec. 26.

He will be accompanied by Foreign Minister Ulker Turkmen, minister of external economic affairs, Mr. Sermet Rıfik Pasın, the governor of the central bank and the chairman of the Turkish chambers of commerce—a party that reflects

the economic importance laid on the tour by Ankara.

For the past two years Turkey has pursued a tough monetarist economic programme and one of its main tenets is to open up a previously insular, protectionist economy.

Although great progress has been made in boosting exports, rows over European Community trade restrictions and a limited Middle East market have made Turkey keen to develop trading partnerships further afield.

In a recent interview with Reuters, Mr. Turkmen said the extent of the trip was a measure of the importance that Turkey attaches to relations with the countries which the president is visiting.

Speaking of the first stop in

China, the first contact at head of state level between the two countries, Mr. Turkmen said Ankara and Peking had a mutual interest in maintaining high level contacts.

Officials in Ankara said a number of agreements on economic and trade cooperation are likely to be signed along with a new cultural agreement, to add to an economic, industrial and technical accord signed during a visit to Peking by Mr. Turkmen last December.

The visit to South Korea from Dec. 20 to 23 will be the first by a Turkish president.

Again, emphasis will be laid on economic issues with Turkey eager to boost low trade figures which last year showed imports from South Korea of \$37 million and exports of \$18 million.

On the return trip, Gen. Evren will confer with fellow military

governments in Bangladesh and Pakistan. It will be the first visit by a foreign head of state to Dacca since the military seized power there in March.

Turkish construction firms, which have scored notable successes in the Middle East recently, are especially keen to win contracts in Indonesia which is undertaking a series of big construction projects.

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will confer with fellow military

party parliamentary budgetary committee approved release of the aid during a late sitting Thursday.

This contrasts with the European Commission's decision on Wednesday not to resume aid to Turkey because of alleged violations of human rights.

Bonn froze its aid to Ankara after the 1980 military takeover and promised to resume help only after Turkey showed signs of returning to democracy.

Opposition Social Democratic (SPD) members of the committee voted against the main elements of the package—NATO defence aid worth 130 million marks (\$52 million) and supplementary help of 265 million marks (\$106 million).

They argued that Ankara was continuing to suppress democratic organisations and violate basic human rights.

Meanwhile West Germany has decided to give aid of 413.5 million marks (\$165 million) to Turkey, despite European Community ban on financial help.

A Bundestag (Lower House) spokesman said Friday the all-

FORECAST FOR SATURDAY, DEC. 11, 1982

YOUR DAILY Horoscope

from the Carroll Righter Institute

GENERAL TENDENCIES: You can gain added strength now by taking needed health treatment. You can also gain advancement by building up your philosophy of life to a loftier level.

ARIES (Mar. 21 to Apr. 19) Get away from dull routines and find more interesting outlets. Make needed changes at this time and you should follow them for best results. Discuss the future with loved ones.

GEMINI (May 21 to June 21) Study your surroundings and make plans for improvements. A civic master should be handled now without delay.

MOON CHILDREN (June 22 to July 21) If you get an early start, you can accomplish a great deal today. Be more economical and save money.

LEO (July 22 to Aug. 21) Make preparations now for recreation you wish to enjoy in the future. Calm down your temper and be happier.

VIRGO (Aug. 22 to Sept. 21) Do some entertaining of worthwhile persons today and increase happiness. Strive to please family members.

LIBRA (Sept. 22 to Oct. 21) A good day to be with close ties and exchange views. Discuss the future with loved ones and increase harmony.

SCORPIO (Oct. 22 to Nov. 21) Plan how to add to your income so that you need not worry so much about expenses. Seek the advice of an expert.

SAGITTARIUS (Nov. 22 to Dec. 21) Make plans to improve your surroundings. You may want to go out for a good time but it's better to stay at home.

CAPRICORN (Dec. 22 to Jan. 21) Make plans to engage in favorite hobby with congenials. Strike a for who is jealous of you. Use common sense.

AQUARIUS (Jan. 22 to Feb. 18) Try to help a friend who is most deserving of your assistance. Make plans to have increased income in the future.

PISCES (Feb. 19 to Mar. 21) Purchase new appliances that can make your job easier in the future. Larger engage in group activities and express happiness.

IF YOUR CHILD IS BORN IN 1982 ... he or she will enjoy travel to foreign lands and upon maturity will do well because the thinking is right and the ability is great. Give as fine an education as you can and stress foreign languages and political sciences.

"The Stars impel, they do not compel." What you make of your life is largely up to you!

Fine art market bounces back

LONDON (R) — The international market in fine art has started to bounce back from its slump in the late 1970s, and analysts say the upswing may enable Sotheby Parke-Bernet, the leading auction house, to recoup some of its losses.

In February Sotheby's, which expanded during the boom years between 1977 and 1980, reported interim losses of £1.5 million (\$2.4 million) for the first time in its nearly-250-year history, forcing cancellation of a half-year dividend.

Analysts say the upturn in fine art is due to optimism about the world economy, and less to investors seeking a hedge against inflation than in the mid-1970s.

Shares in Sotheby's are at record levels on persistent market rumours that the auction house is about to be taken over.

The Sotheby's board admits it has been holding "very preliminary and general discussion."

with a number of parties but says there is no assurance a deal will be struck.

Sotheby's shares hit £4.65 (\$7.49) Monday, up from £2.60 (\$4.19) earlier this year.

The summer rally on Wall Street produced a brisk autumn season in New York, providing a large turnover for Sotheby's and its chief competitor, Christie's, analysts said.

Lower interest rates in the United States and Britain have lured some investors away from interest-bearing deposits to the art market, while cheaper sterling should also bring foreign buyers back to London showrooms.

High interest rates since 1980

had not only made fine art a less attractive investment but also increased dealers' costs of financing art inventories.

Sotheby's was particularly hard hit by the art slump because it overextended itself in opening new auction rooms around the world in

the boom years.

In June Sotheby's closed its Madison Avenue headquarters in New York which opened only two years earlier, and slashed its workforce by 20 per cent to cut costs.

The company's yearly results to August, due in three weeks, could show losses of £4.5 million (\$7.2 million) after a £7 million (\$11.2 million) profit in 1981, one analyst said.

Sotheby's could have profits of £3.4 million (\$5.6 million) next year, particularly if its spring implosion sale raises an expected \$10 million, he added.

Christie's was more cautious in its expansion five years ago.

In the first half of this year, Christie's profits were £1.1 million (\$1.8 million), down from £3 million (\$4.8 million) last year.

Its successful autumn sales in New York could bring profits for the year to about £3 million (\$4.8 million), a drop from £5.3 million (\$8.5 million) in 1981 but ha-

tter than Sotheby's, analysts said.

Despite renewed optimism about the art market as well as the auction houses, analysts said the upturn is unlikely to match the dynamic market of the mid-1970s when inflation brought new, chiefly upper-class buyers into the showroom.

Although there was much buying by small investors in the late 1970s, one analyst cautioned that such buyers were likely to abandon the market if interest rates rose again.

Sotheby's failed to generate enough business to offset higher costs when it opened provincial offices in Britain and elsewhere five years ago.

Another analyst said investing in fine art was difficult for smaller buyers because there was no index for measuring returns, and owning valuable objects brought higher insurance costs without a compensating steady income.

Kenya devalues shilling

NAIROBI (R) — The Kenyan central bank Friday issued new Kenyan shilling rates in what amounted to a hefty devaluation against major currencies, banking sources said.

The rates indicated a 13 per cent devaluation by the international calculation, though Kenyans themselves will have to pay 15 per cent more for goods they import.

The U.S. dollar was quoted at 12,601.8 shillings, against 10,935.9, Thursday, and there were similar changes for other currencies, the sources said.

The bankers said they had expected a devaluation for some time because of Kenya's worsening balance of payments and foreign exchange position.

Diplomatic sources said the changes appeared to be linked to the current visit to Kenya of a team from the International Monetary Fund (IMF).

In October monetary sources in New York said the IMF had suspended the second instalment of a \$162 million loan to Kenya because the Nairobi government had not instituted reforms sought by the IMF.

Kenyan Finance Minister Arthur Magugu angrily denied the report as "hostile reporting". He said the Aug. 1 abortive coup in Kenya had made it difficult to fix statistical objectives for the second \$66 million instalment.

The official Kenyan News Agency said Mr. Magugu would hold a press conference later Friday but gave no details.

The diplomats said they expected exporters to welcome the move but manufacturers were unlikely to be pleased because of the additional costs they would incur for imported raw materials, spare parts and other inputs.

Kenya is already restricting import licences for many categories to conserve foreign exchange, they said.

LONDON STOCK MARKET

LONDON (R) — Share prices were higher on end of account technical considerations and small new time demand following the firmer trend in government bonds, dealers said. At 1500 Friday the F.T. index was up 3.6 at 581.3.

Oil shares were active with B.P. and Shell both up 18p at 316 and 420 respectively in reaction to a rise in the oil futures market and hopes that the forthcoming OPEC meeting will vote to retain the \$34 per barrel benchmark rate, dealers said, adding that a broker was also tipping oil shares.

Gold shares eased with the bullion price and North American stocks tended mixed.

Government bonds firmed up to half a point in small turnover following the higher trend in the New York bond market Thursday and the relative steadier trend of sterling, dealers said.

Trusthouse Forte rose 5p to 150 in negotiations to sell its leisure division while Sotheby's advanced to 537 from 475 on rising speculative demand. Christie's Int'l gained 19p to 194 in sympathy, dealers added.

ICI at 346 and Beecham at 348 were 8p and 10p higher respectively but Thorn EMI fell 8p to 415 and Unilever shed 5p to 765.

LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midday on the London foreign exchange and bullion markets Friday.

One sterling	1.6164/74	U.S. dollars	Canadian dollars
One U.S. dollar	1.2343/46	West German marks	Dutch guilders
	2.4465/80	Swiss francs	Belgian francs
	2.6940/60	French francs	Italian lire
	2.0800/20	Japanese yen	Swedish crowns
48.05/15	6.9350/9450	Norwegian crowns	Danish crowns
1413.00/1414.00	1413.00/1414.00	U.S. dollars	U.S. dollars
243.90/244.10	243.90/244.10		
7.3975/4000	7.3975/4000		
7.0350/0400	7.0350/0400		
8.6150/6250	8.6150/6250		
One ounce of gold	439.00/440.00		

THE Daily Crossword

ACROSS	29 Without	42 Human's
1 Fiddler	Juster	neighbor
5 Raptor	Cafe au	13 Puts on
10 Raisod	appendage	embonnets
14 German	35 Kick in	15 Me. Fields
assembly	36 In the past	21 So-so man:
hall	37 Cork's	23 Serared
15 "La Boheme"	38 Abraze	55 Salmagundi
16 Flying	39 Potato	56 — up (peys)
prefix	40 "Pear Gym"	61 In a suit-
17 Dross	character	62 Insignif-
18 Oregon	41 Rectifiers	63 T'resone
20 Circe and	42 Egyptian	one
Lorelei	solar disc	64 Cruising
22 Gollivogs	43 Made	65 Kind of
23 Grig	reparation	club
24 London	45 " — kick	26 Box
art gallery	out of you"	27 Hoist
26 Box	46 Grafted,	28 Publicized
	47 " — Mouse"	29 Knobbed
		30 Positive
		terminal
		31 Terra —
		32 Plumed bird
		33 A Rock
		35 Victoria
		36 one
		38 Mangeron's
		relative</td

WORLD

S. Africans divided over raid

JOHANNESBURG (R) — South Africa's opposition parties have backed Thursday's military strike into Lesotho but church leaders and the English and Afrikaans press reflected widespread dismay and doubts over the incident.

Church leaders said Friday the government seemed to be resorting more and more to force instead of dealing with the real causes of unrest, but opposition spokesmen said the raid was necessary.

The Defence Force said the pre-emptive strike on Maseru, the Lesotho capital, was aimed at guerrillas of the African National Congress (ANC) preparing a series of terrorist acts in South Africa and the neighbouring black homeland states of Transkei and Ciskei over Christmas.

Police in Lesotho said Friday that 42 people were killed in the pre-dawn raid — 12 of them Lesotho citizens and 30 members of the ANC. Five women and two children were among the dead, cut down in crossfire.

In Geneva, a United Nations spokesman said the ANC's chief representative in Lesotho, Zola Ntini, was among those killed.

The South Africans allege that the ANC members were deliberately dispersed among civilians in residential areas.

Leaders of the Anglican, Roman Catholic, Methodist, Congregational and Presbyterian churches said in a statement issued in Cape Town Friday: "It seems to us that the government is increasingly resorting to the use of force instead of trying to deal with the real causes of unrest."

The statement recalled the biblical warning that those who lived by the sword would perish by the sword.

Perhaps the strongest press comment Friday came from Sowetan, the black Johannesburg daily named after the city's sprawling black satellite city.

"The ferocious attack by the South African Defence Force (SADF) in Maseru is indefensible and particularly obnoxious as it

was launched smack into the centre of the city," Sowetan said. "It is going to need some miracle for those responsible to get us out of this diplomatic boob. What makes the timing even more incredible is the fact that South Africa is trying to get the Cubans out of Angola, while the argument for those against such a move is that they protect the residents."

Beeld, the Afrikaans daily considered to be close to Prime Minister P.W. Botha, called for the right balance to be struck between diplomacy and military strength in dealing with South Africa's problems.

Lesotho leader appeals for calm

MASERU, Lesotho (R) — Lesotho's prime minister, chief Leabua Jonathan, called on his people Friday to remain calm in the face of what he called naked provocation by South Africa.

His appeal was broadcast by Lesotho Radio as the landlocked mountain kingdom began three days of mourning for 42 people who died in an early morning raid on the capital Thursday by South African troops.

Lesotho police said Monday that at the latest count the dead included 12 Lesotho citizens as well as 30 members of the African National Congress (ANC), banned in South Africa and pledged to overthrow the white Pretoria government by force.

The police said a number of people were still missing after the raid and that it was possible they may have been abducted by the South Africans.

Lesotho asked Thursday night for an urgent meeting of the United Nations Security Council on the raid, and Foreign Minister Charles Molapo was on his way to New York, according to U.N. officials.

Diplomatic sources at the U.N. said the 15-nation council would probably take up the matter on Monday.

75 children killed in Nicaraguan air crash

MANAGUA (R) — Seventy-five children were killed Friday in an air force helicopter which crashed and burned while flying them to the Nicaraguan capital from their homes along the guerrilla-infested border with Honduras, the defense ministry reported.

An official communiqué reporting the crash in the mountainous Ayapal region, about 180 kilometres north of Managua, did not say whether the helicopter plunged to earth because of an accident or was shot down.

The communiqué said the helicopter carried 78 children, two adults and a two-man crew as it flew over the border region, known as a hotbed of right-wing guerrillas dedicated to the overthrow of Nicaragua's Sandinist revolutionary government.

It added that the crew and the adult passengers survived the crash, along with three of the children.

The communiqué said that shortly after the crash a second helicopter flew over the area and

came under fire from the ground, presumably by guerrillas. It suffered only minor damage and flew on.

The helicopters were transporting people from the border village of San Jose de Bocay in Jinotega province, some 200 kilometres north of the capital, to special relocation camps in the interior.

Military sources said the government has been airlifting old people, women and children to the camps from the border region, removing them from the danger of raids by rightwing guerrillas based in neighbouring Honduras.

Former guardsmen of the late Nicaraguan dictator Anastasio Somoza have been attacking Nicaraguan border villages in recent months. According to the leftwing Sandinist government, some residents have been killed.

So far this year Nicaragua has made 59 protests to the Honduran government about the border raids.

Filipino Catholic priest admits being Communist

MANILA (R) — A Filipino Catholic priest detained on subversion charges has admitted that he was a member of the Communist movement, a Defence Ministry spokesman said Friday.

He said the admission was made by Father Edgar Kangleon during a meeting Thursday night with senior defence officials led by Defence Minister Juan Ponce Enrile and four Catholic bishops.

Mr. Enrile questioned Father Kangleon about a nine-page sworn statement detailing his activities prior to his arrest on Oct. 10

Dutch concerned about executions in Surinam

AMSTERDAM (R) — Surinam, a former Dutch colony in South America, faced international condemnation Friday for carrying out executions after what the military government described as a coup attempt.

Dutch television news said Thursday night without giving a source that at least five people had been executed. The Dutch foreign ministry could not confirm this figure.

"We've just heard through our embassy that a number of people have been executed," a spokesman said.

The Surinam ambassador was summoned to the ministry after news of the killings emerged and he was asked to convey Dutch horror at the executions to his government.

Surinam's state radio monitored in Georgetown, Guyana, said several people had been shot dead while trying to escape. It also

announced the resignation of the government.

Political sources recalled Thursday night the international outrage which followed the execution of Sergeant-Major Wilfred Hawker after he led an abortive coup in March.

The latest killings could prompt The Netherlands to freeze development aid to Surinam, which became independent in 1975, they added.

Surinam's strongman, Lt.-Col. Darsi Bouterse, said Thursday the government had foiled an attempted coup by the country's "rich economic elite."

But informed sources here were sceptical about this.

The government has recently faced strong opposition from the unions and people who resent its socialist policies and want a general election.

Jury gives open verdict on British nurse's death

LEEDS, England (R) — An inquest jury decided Thursday there was not enough evidence to say whether the controversial death of British nurse Helen Smith in Saudi Arabia in 1979 was an accident or murder.

Her father, former policeman Ron Smith, waged a three-year campaign through the courts for a British inquest, saying his daughter was murdered and alleging a cover-up by the British Foreign Office.

The inquest jury Thursday found that Helen, whose partly-dressed body was found at the foot of a Jeddah apartment block after an illegal drinks party, died from multiple internal injuries after falling from a top-floor balcony.

But a majority of the jury of seven men and four women concluded there was insufficient evidence to justify a verdict of accidental death or unlawful killing, the main two findings suggested by the coroner.

After more than seven hours' deliberations they returned an open verdict, which means they offer no explanation. The hearing lasted 15 days.

Miss Smith, 23, was found dead alongside Dutch tugboat captain Johannes Otten, 35, whose body was impaled on railings below British surgeon Richard Arnot's sixth-floor apartment, where the party was held.

Mr. Smith told a news conference after the verdict that he was delighted.

"An open verdict is vindication of what the family has fought for, and demonstrates to all that the suspicion of foul play remains unanswered," he said.

He called for a full public inquiry into all aspects of the British Foreign Office's conduct since his daughter's death and into the conduct of the inquest itself.

The Saudi authorities decided that the couple accidentally fell over the low parapet on the balcony while making love.

But Mr. Smith refused to accept this and brought his daughter's body back to England for an independent post-mortem.

During the inquest, he interrupted the proceedings and accused

'No-one plans to move U.S. command in Europe'

BRUSSELS (R) — U.S. Secretary of State George Shultz said Friday there was no truth in a report that the United States planned to move its command headquarters in Europe from West Germany to Britain.

Mr. Shultz told a press conference at the North Atlantic Treaty Organisation (NATO) headquarters here the report was based on a misunderstanding.

"There is no truth to that," he said. "The command centre remains where it is today."

Britain's Guardian newspaper said in a Washington-based report Friday that U.S. Defence Secretary Casper Weinberger had issued the order to move the command headquarters in Europe (EUCOM) because the Reagan administration was convinced NATO forces would be unable to hold West Germany in a European war.

"There is a misunderstanding here," Mr. Shultz said. "As I understand it we are talking about certain elements of administration, not command."

"Command is where it is now,

and if there should be a war, God forbid, command would go directly to NATO."

In London, British Prime Minister Margaret Thatcher's office said the *Guardian* report was "fundamentally incorrect."

A spokesman at 10 Downing Street would not comment on what he called NATO's contingency military command and control arrangements but said the central theme of the report was fundamentally incorrect.

The Guardian had said a new war centre was to be built in Britain within four years and EUCOM transferred there from Stuttgart "as part of a survivable European command-and-control system."

But West German government spokesman Jürgen Sudhoff told a news conference the federal government had no knowledge of such plans, which did not anyway exist.

In Bonn a U.S. armed forces spokesman also denied the report and said: "There are no plans to move EUCOM HQ anywhere."

"Command is where it is now,

Groundwork for Gibraltar talks laid

BRUSSELS (R) — Britain and Spain held friendly preliminary talks Friday on Gibraltar and cleared the ground for further discussion of the 278-year-old dispute over ownership of the British rock colony.

British diplomatic sources said Britain's Foreign Secretary Francis Pym and Spanish Foreign Minister Fernando Moran talked for an hour in a warm and friendly atmosphere and agreed to strive for the best possible bilateral relations.

They agreed to meet again in the spring, the sources said.

Mr. Pym reaffirmed Britain's adherence to the agreement signed in Lisbon in 1980 which called for talks between London and Madrid on all outstanding issues to begin simultaneously with full opening of the border between the colony on the tip of the Iberian peninsula and Spain, they added.

Spain's new Socialist government is to open the border, closed by the late dictator Gen. Francisco Franco, to pedestrian traffic on Dec. 15.

The British sources said the ministers had arranged for officials of both countries to meet to discuss details but no date had been fixed.

The sources said Mr. Pym had no new deal to offer and Britain still insisted on the full reopening of the border before the talks began.

The two ministers also discussed the current meeting of NATO foreign ministers and Spain's position in the alliance.

Mr. Moran told news conference Thursday that Spain remains a faithful member of the alliance it joined last May but that the new government would review its attitude towards NATO to take full account of its national interests.

Mr. Pym told Mr. Moran during the breakfast talks, held in the Spanish delegation to NATO, that it was Britain's view that Spain should join the 10-member European community as soon as possible, British sources said.

NATO wants better dialogue with Moscow

NEW YORK police arrest leading pimp

BRUSSELS (R) — NATO Secretary General Joseph Luns said Friday the Western alliance would reply positively to all proposals for a better understanding with the Soviet Union on the basis of give-and-take on both sides.

At a press conference after a two-day North Atlantic Treaty Organisation meeting, he said NATO foreign ministers agreed that the alliance needed a strong defence combined with a readiness for dialogue with Moscow to achieve genuine detente.

Discussions at the regular NATO autumn session centred on East-West relations following the death of Soviet leader Leonid Brezhnev and the appointment of Yuri Andropov as his successor.

Dr. Luns said there was consensus among ministers that Mr. Andropov had kept all options open and that his answer to a proposal by U.S. President Reagan for nuclear confidence-building measures had been considered positive.

Sri Lanka hails Law of Sea treaty

COLOMBO (R) — Sri Lanka's President Junius Jayewardene said Friday his country had given about 780,000 square kilometers of sea-bed under the new UN Convention of the Law of the Sea treaty.

He said his country's territorial waters were nearly 20 times its land area as a result of the treaty due to be signed in Jamaica Friday. Sri Lanka was considered a special case under the treaty because of its unique characteristics of its continental shelf, officials said.

Watergate prosecution

Jaworski dies at 77

HOUSTON (R) — Leon Jaworski, who won a place in American history as the man who went to court to force former President Richard Nixon to release secret White House tapes about the Watergate scandal, died Tuesday. He was 77. The recording led to the conviction of more than 20 Nixon aides and played an important part in Mr. Nixon's resignation in 1974 — the only time a U.S. president has resigned. Mr. Jaworski was appointed special prosecutor to investigate the Watergate scandal, died Tuesday. He was 77. The recording led to the conviction of more than 20 Nixon aides and played an important part in Mr. Nixon's resignation in 1974 — the only time a U.S. president has resigned. Mr. Jaworski was appointed special prosecutor to investigate the Watergate scandal, died Tuesday. He was 77. The recording led to the conviction of more than 20 Nixon aides and played an important part in Mr. Nixon's resignation in 1974 — the only time a U.S. president has resigned. 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